

MAINE: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Maine's Workers

- Approximately one-seventh (14.9 percent) of all manufacturing workers in Maine depend on exports for their jobs. This is less than the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 4.8 percent of Maine's total private-sector employment (roughly one of every 21 jobs). This is below the national average of 6.5 percent. (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Over One Thousand Maine Firms—Small As Well As Large

- A total of 1,738 companies exported goods from Maine locations in 2001. Of those, 84 percent were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated more than half (57.6 percent) of Maine's total exports of merchandise in 2001, the second highest figure among the 50 states.

Source: Exporter Data Base, International Trade Administration & Census Bureau.

Economic Globalization: A Two-Way Street for Maine

- In 2002, majority-owned affiliates of foreign companies employed 33,000 workers in Maine.
- Nearly one-third of these foreign-investment-supported jobs (31 percent, or 10,200 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 14.6 percent—more than one-seventh—of total manufacturing employment in Maine in 2001.
- Foreign investment in Maine was responsible for 6.4 percent of the state's total private-industry employment in 2001.
- Major sources of Maine's foreign-investment-supported jobs in 2002 were the United Kingdom, Canada, the Netherlands, Switzerland, and Germany.

Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.

Maine Depends on World Markets

- Maine's export shipments of merchandise in 2003 totaled \$2.2 billion. This was a nine percent increase over the state's 1999 export levels—twice the 4.5 percent growth of total U.S. exports over the 1999-2003 period—and an 11 percent increase over 2002.

- Maine exported globally to 167 foreign destinations in 2003. The state's largest market in 2003, by far, was NAFTA member Canada, which received exports of \$821 million, or 38 percent of the 2003 total. Canada was followed by Malaysia (2003 exports of \$237 million), Singapore (\$224 million), the United Kingdom (\$133 million) and Japan (\$93 million). Other top markets included South Korea, China, Belgium, the Netherlands, and Italy.
- Maine's biggest growth market, in dollar terms, was Canada. From 1999 to 2003, export shipments to Canada increased \$103 million. Other countries to which Maine recorded large increases in merchandise exports over this period were Malaysia (exports up \$73 million), the United Kingdom (up \$63 million), China (up \$42 million), and South Korea (up \$39 million).
- Of Maine's 30 major markets, exports to Croatia grew the fastest over the 1999-2003 period, increasing more than 45,000 percent from a modest \$17,000 to \$7.6 million. Maine also more than doubled its exports of goods to Ghana, South Africa, the Dominican Republic, Saudi Arabia, Turkey, Switzerland, Italy, and China.
- Manufactured goods make up 79 percent of Maine's exports. The state's leading export category is computer and electronic products, which accounted for 28 percent, or \$605 million, of Maine's total merchandise exports in 2003. Other top manufactured exports are paper products (\$414 million), transportation equipment (\$164 million), machinery manufactures (\$89 million), and processed foods (\$85 million).
- In dollar terms, Maine's leading manufactured export growth category is paper products. Export shipments of these products during the 1999-2003 period grew from \$329 million to \$415 million—an increase of \$86 million. Other manufactured export categories that registered large dollar growth over this period were transportation equipment (exports up \$42 million), processed foods (up \$30 million), chemical manufactures (up \$24 million), and plastics and rubber products (up \$21 million).
- In percentage terms, Maine's fastest-growing manufactured export category is beverages and tobacco products, which grew 173 percent from \$2 million in 1999 to \$5.5 million in 2003. Other rapidly growing manufactured exports during the 1999-2003 period were plastics and rubber products (exports up 95 percent), furniture and related products (up 88 percent), chemical manufactures (up 70 percent), and processed foods (up 56 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

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